



Margaret Donnellan Todd
County Librarian

County of Los Angeles Public Library ■ www.colapublib.org
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June 10, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

72-D June 10, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**TERMINATE FOR DEFAULT FIVE CUSTODIAL CONTRACTS AND AMEND TWO CUSTODIAL
CONTRACTS FOR REPLACEMENT SERVICES
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

The Public Library is recommending that the Board of Supervisors (Board) terminate for default five custodial contracts for services at the 70 library facilities located in the Public Library's Custodial Areas 1, 3, 4, 5 and 6, previously awarded by the Board to Diamond Contract Services, Inc., due to a material breach of the contracts, and delegate authority to the County Librarian to add these facilities into existing agreements with other contractors providing similar custodial services to the Public Library pending the completion of a solicitation.

IT IS RECOMMENDED THAT THE BOARD:

1. Terminate for default Contract No. 77231 with Diamond Contract Services, Inc., for custodial services at 12 library facilities located in the Public Library's Custodial Services Area 3, as detailed in Attachment A, due to a material breach of contract provisions including but not limited to Work, Term of Contract, General Provisions for all Insurance Coverage and Insurance Coverage, effective upon the Boards' approval.
2. Terminate for default Contract No. 77242 with Diamond Contract Services, Inc., for custodial services at 17 library facilities located in the Public Library's Custodial Services Area 5, as detailed in Attachment A, due to a material breach of contract provisions including but not limited to Work, Term of Contract, General Provisions for all Insurance Coverage and Insurance Coverage, effective upon the Boards' approval.

3. Terminate for default Contract No. 77250 with Diamond Contract Services, Inc., for custodial services at 11 library facilities located in the Public Library's Custodial Services Area 1, as detailed in Attachment A, due to a material breach of contract provisions including but not limited to Work, Term of Contract, General Provisions for all Insurance Coverage and Insurance Coverage, effective upon the Boards' approval.
4. Terminate for default Contract No. 77862 with Diamond Contract Services, Inc., for custodial services at 15 library facilities located in the Public Library's Custodial Services Area 6, as detailed in Attachment A, due to a material breach of contract provisions including but not limited to Work, Term of Contract, General Provisions for all Insurance Coverage and Insurance Coverage, effective upon the Boards' approval.
5. Terminate for default Contract No. 77906 with Diamond Contract Services, Inc., for custodial services at 15 library facilities located in the Public Library's Custodial Services Area 4, as detailed in Attachment A, due to a material breach of contract provisions including but not limited to Work, Term of Contract, General Provisions for all Insurance Coverage and Insurance Coverage, effective upon the Boards' approval.
6. Approve and delegate authority to the County Librarian, or her designee, to execute an amendment to add the 32 library facilities located in the Public Library's Custodial Areas 5 and 6 into Contract No. 77682, previously awarded by the Board to Lincoln Training Center under the terms and conditions of such contract, on a month-to-month basis, for a period not to exceed eighteen (18) months, or until a contract is awarded to a new contractor, whichever is earlier, and to increase the annual contract amount not to exceed \$753,571.16, to cover the annual cost of interim custodial services at the affected library facilities, including unanticipated costs which shall not exceed 10% of the annual contractor's fee.
7. Approve and delegate authority to the County Librarian, or her designee, to execute an amendment to add the 38 library facilities located in the Public Library's Custodial Areas 1, 3 and 4 into Contract No. 77683, previously awarded by the Board to Pride Industries One, Inc., under the terms and conditions of such contract, on a month-to-month basis, for a period not to exceed eighteen (18) months, or until a contract is awarded to a new contractor, whichever is earlier, and to increase the annual contract amount not to exceed \$992,772.48, to cover the annual cost of interim custodial services at the affected library facilities, including unanticipated costs which shall not exceed 10% of the annual contractor's fee.
8. Approve and delegate authority to County Librarian, or her designee, to determine the excess costs incurred by the County to procure replacement custodial services similar to the terminated services, and exercise the County's right to pursue all contractual remedies as set forth in the provisions of Termination for Default for each of the terminated contracts.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will terminate for default five (5) contracts with Diamond Contract Services, Inc., for custodial services at 12 library facilities in the Public Library's Custodial Area 3 (Contract No. 77231), 17 library facilities in the Public Library's Custodial Area 5 (Contract No. 77242), 11 library facilities in the Public Library's Custodial Area 1 (Contract No. 77250), 15 library facilities in the Public Library's Custodial Area 6 (Contract No. 77862) and 15 library facilities in the Public Library's Custodial Area 4 (Contract No. 77906), due to a material breach of the contract provisions including but not limited to Work, Term of Contract, General Provisions for all

Insurance Coverage and Insurance Coverage. These contract terminations will be effective upon your Board's approval.

The Board approved Contract No. 77231 on February 2, 2010, which is now on its second option year, for a period of three (3) years with options to extend the contract for up to two (2) one-year extensions and six (6) month-to-month extensions and the current annual contract sum is \$318,264.14. The Board approved Contract No. 77242 on February 16, 2010, which is now on its second option year, for a period of three (3) years with options to extend the contract for up to two (2) one-year extensions and six (6) month-to-month extensions and the current annual contract sum is \$377,593.84. The Board approved Contract No. 77250 on March 2, 2010, which is now on its second option year, for a period of three (3) years with options to extend the contract for up to two (2) one-year extensions and six (6) month-to-month extensions and the current annual contract sum is \$314,882.92. The Board approved Contract No. 77862 on November 7, 2012, which is now on its second base year, for a period of four (4) years with options to extend the contract for up to one (1) one-year extension and six (6) month-to-month extensions and the current annual contract sum is \$375,977.32. The Board approved Contract No. 77906 on January 8, 2013, which is now on its second base year, for a period of four (4) years with options to extend the contract for up to one (1) one-year extension and six (6) month-to-month extensions and the current annual contract sum is \$359,625.42.

Your Board's approval of the recommended actions will also allow the Public Library to provide interim custodial services at the 70 library facilities affected by the terminations by adding these facilities into existing agreements with Lincoln Training Center and Pride Industries One, Inc., on a month-to-month basis not to exceed eighteen (18) months or until a contract is awarded to a new contractor. On November 8, 2011, your Board executed Contract Number 77682 with Lincoln Training Center and Contract Number 77683 with Pride Industries One, Inc. and delegated authority to the County Librarian to execute amendments to increase or decrease the number or size of facilities or days of service covered by the contracts over the contract term, and to adjust the Contractor's annual fee included in the annual Contract Sum due to such increases or decreases, not to exceed 10% of the annual Contract Sum. The addition of the affected locations to each of these contracts exceeds the delegated authority granted by your Board.

Implementation of Strategic Plan Goals

Approval of the recommended actions is consistent with the County's Strategic Plan Goals in the areas of Operational Effectiveness (Goal 1).

FISCAL IMPACT/FINANCING

The total annual cost of providing custodial services at the affected library facilities is \$1,746,344. Funding for the annual Contract Sum is included in the Public Library's Operating Budget. The usage of the unanticipated work contract amount and funding is contingent on need at each of the facilities and will not be used or expended if no such need arises.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Funds owed to Diamond Contract Services, Inc., for work performed before contract termination will be disbursed to Diamond Contract Services, Inc., for substantiated charges invoiced by Diamond Contract Services, Inc., such charges will not exceed the agreed upon price schedules stated in the contract.

A notice of the Public Library's intent to seek Board approval to terminate all five contracts for default was sent to Diamond Contract Services, Inc., on a letter dated June 5, 2014.

All documents related to these terminations have been approved as to form by County Counsel.

Each of the contracts with the Public Library provides that the County may terminate the contract for default if Diamond Contract Services, Inc., has materially breached the contract.

The contracts with Lincoln Training Center and Pride Industries One, Inc. were established through a competitive solicitation process conducted by the Public Library and awarded by the Board on November 8, 2011. Upon your Board's approval of the recommended actions, the amendments will require County Counsel's approval as to form prior to execution by the County Librarian. Following execution of the amendments, the Public Library will initiate a competitive solicitation process and return to the Board with recommendations and approval of new agreements.

ENVIRONMENTAL DOCUMENTATION

These actions are not subject to the California Environmental Quality Act (CEQA), because they do not constitute a project according to Section 15378 of CEQA

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will have minimal impact on library services to the public. Interim custodial services at the affected libraries will be provided by Lincoln Training Center and Pride Industries One, Inc., who are providing similar custodial services to the Public Library, and under the terms of its contracts with the County can add library facilities.

CONCLUSION

If there are any questions or there is a need for additional information, please contact Yolanda De Ramus, Chief Deputy, at 562 940-8412.

The Honorable Board of Supervisors

6/10/2014

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Respectfully submitted,

A handwritten signature in cursive script, reading "Margaret Donnellan Todd". The signature is written in dark ink on a light background.

MARGARET DONNELLAN TODD

County Librarian

MDT:YDR:AC:EM:

bf

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Internal Services Department

COUNTY OF LOS ANGELES PUBLIC LIBRARY

Diamond Contract Services, Inc.
Custodial Services – Area 1
Contract No. 77250

First District

None

Second District

None

Third District

Agoura Hills Library
Malibu Library
Topanga Library

Fourth District

None

Fifth District

Acton-Agua Dulce Library
Castaic Library
Lake Los Angeles Library
Lancaster Library
Littlerock Library
North Region Office
Quartz Hill Library
Stevenson Ranch Library

COUNTY OF LOS ANGELES PUBLIC LIBRARY

Diamond Contract Services, Inc.
Custodial Services – Area 3
Contract No. 77231

First District

None

Second District

A C Bilbrew Library
Carson Library
Compton Library
Dr. Martin Luther King, Jr. Library
East Rancho Dominguez Library
Gardena Mayme Dear Library
Lawndale Library
Masao W. Satow Library
Willowbrook Library

Third District

None

Fourth District

Hermosa Beach Library
Lomita Library
Manhattan Beach Library

Fifth District

None

COUNTY OF LOS ANGELES PUBLIC LIBRARY

Diamond Contract Services, Inc.
Custodial Services – Area 4
Contract No. 77906

First District

Bell Library
Bell Gardens Library
Huntington Park Library
Maywood Cesar Chavez Library

Second District

Culver City Julian Dixon Library
Florence Library
Graham Library
Hawthorne Library
Hollypark Service Center
Lennox Library
View Park Library
Wiseburn Library
Woodcrest Library

Third District

None

Fourth District

Avalon Library
Lloyd Taber-Marina Del Rey Library

Fifth District

None

COUNTY OF LOS ANGELES PUBLIC LIBRARY

Diamond Contract Services, Inc.
Custodial Services – Area 5
Contract No. 77242

First District

Hollydale Library
Leland R. Weaver Library
Pico Rivera Library
Rivera Library

Second District

Lynwood Library

Third District

None

Fourth District

Angelo M. Iacoboni Library
Alondra Library
Artesia Library
Clifton M. Brakensiek Library
George Nye, Jr. Library
Hawaiian Garden Library
La Mirada Library
Los Nietos Library
Norwalk Library
Paramount Library
South Whittier Library
Sorensen Library

Fifth District

None

COUNTY OF LOS ANGELES PUBLIC LIBRARY

**Diamond Contract Services, Inc.
Custodial Services – Area 6
Contract No. 77862**

First District

Anthony Quinn Library
Chet Holifield Library
City Terrace Library
East Los Angeles Library
El Camino Real Library
El Monte Library
Montebello Library
Norwood Library
Rosemead Library
South El Monte Library

Second District

None

Third District

None

Fourth District

None

Fifth District

La Canada Flintridge Library
La Crescenta Library
Live Oak Library
San Gabriel Library
Temple City